



American Gilsonite Company

Bonanza, UT 84008 • Phone (801) 789-1921 FAX (801) 780-1956

Bonanza Mining Operations

Mr. Wayne Hedberg
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204

Dear Mr. Hedberg:

I have talked with Mr. Anthony Gallegos by telephone concerning our desire to explore on State Mineral Lease ML-31934 in Uintah County.

I understand that we need to notify you of our intent to explore.

I am attaching a copy of our request to Mr. John T. Blake of the Division of State Lands and Forestry.

We intend to begin surface trenching immediately and I will notify you if we decide to conduct rotary drilling operations.

Thank you, if you have any questions, please call me at (801) 789-1921.

Sincerely,

T. M. Tilley

enclosures

TMT/bkn

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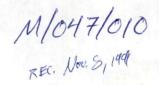
DIVISION OF OIL GAS & MINING



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Bonanza Mining Operations



November 4, 1991

Mr. John T. Blake
Utah Division of State Lands & Forestry
335 W. North Temple
3 Triad Center Suite 400
Salt Lake City, Utah 84180-1204

Dear Mr. Blake:

We're planning to do some exploration on State Mineral Lease ML-31934 in Uintah County.

Initially, we want to explore up to four places along strike of the Gilsonite vein. We plan to accomplish these four surface explorations by trenching with a backhoe.

Subsequent to our findings from the trenches, a drilling program of vertical rotary holes will be undertaken. This would include about four 4 3/4 inch diameter holes. Approximate locations are plotted on the attached map as well as the trenches.

This lease is near existing county/private roads and we do not expect to construct any roads.

Please let me know as soon as possible when we have permission to do the surface trenches.

Sincerely,

J.M. Dilly T. M. Tilley

attachment

TMT/bkn

(test REC. Nov. 8, 1941 FROM 1440 ANNUAL REPORT (TAS, PZYE) COUNTY ROAD SWITH SEC 15 0.6 ALRE I-16 PAT. COMM TRIUMENT SEPH SEC 15 I-15 PAR CLAIM CONTREPAND SWIM SEC 15 WHEOR SECIS TAS RZYE RZJE T95 et. Sing cont SEC 15 ML-31934 Sw cok

* Approx. Locutions tost pits (20' deep) and Drill Locutions 4WERICAN LEASE ML -NO SCHE-

GILSONITE CO.

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